

AMENDED IN SENATE APRIL 7, 2010

SENATE BILL

No. 878

Introduced by Senator Liu

January 12, 2010

An act to amend Sections 27297.6 and 27387.1 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

SB 878, as amended, Liu. Local government: Los Angeles County: notice of recordation.

(1) Existing law authorizes the Los Angeles County Recorder, following the adoption of an authorizing resolution by the Los Angeles County Board of Supervisors, to mail a notice of recordation to the party or parties executing a deed, quitclaim deed, or deed of trust within 30 days of the recording of one of those documents.

This bill would modify that authorization to also include notice of recordation, provided ~~by by mail or other means~~ by the recorder or a designee of the board, ~~within 30 days of the recording of a deed, quitclaim deed, deed of trust, notice of default, or notice of sale to the party or parties executing, or subject to, one of those documents, and to occupants of the subject real property, if any~~ *to a party or parties executing a deed, quitclaim deed, or deed of trust, within 30 days of recordation, or to a party or parties subject to a notice of default or notice of sale of a property, including the occupants of that property, within 20 days of recordation.*

(2) Existing law also authorizes the Los Angeles County Recorder to collect a fee for mailing notice of recordation from any party filing a deed, quitclaim deed, or deed of trust, unless that party is a government

entity. Existing law prohibits this fee from exceeding the cost of mailing the notice of recordation or \$7.

This bill would additionally authorize the recorder to collect a fee for notice of recordation from any party other than a government entity that files a notice of default or notice of sale. *The bill would also authorize the recorder to use a portion of the collected fee to pay the actual cost, if any, of providing information, counseling, and assistance to a person who receives the notice.*

(3) This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Los Angeles.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 27297.6 of the Government Code is
2 amended to read:

3 27297.6. (a) (1) Following adoption of an authorizing
4 resolution by the Los Angeles County Board of Supervisors, the
5 Los Angeles County Recorder, or a designee or designees
6 authorized by the ~~board of supervisors, may, within 30 days of~~
7 ~~recordation of a deed, quitclaim deed, deed of trust, notice of~~
8 ~~default, or notice of sale, notify by mail, or by other means, the~~
9 ~~party or parties executing, or subject to, the document, and the~~
10 ~~occupants of the real property described in the legal description,~~
11 ~~if any. The recorder may require, board of supervisors, may notify~~
12 ~~the following by mail:~~

13 (A) *The party or parties executing a deed, quitclaim deed, or*
14 *deed of trust, within 30 days of recordation.*

15 (B) *The party or parties subject to a notice of default or notice*
16 *of sale, including the occupants of that property, within 20 days*
17 *of recordation.*

18 (2) *The recorder may require, as a condition of recording, that*
19 *a deed, quitclaim deed, deed of trust, notice of default, or notice*
20 *of sale indicate the assessor's identification number or numbers*
21 *that fully contain all, or a portion of, the real property described*
22 *in the legal description. If the description contains more than one*
23 *assessor's parcel, all assessor's parcels shall be indicated. The*
24 *form of the entry shall be substantially as follows:*

25 Assessor's Identification Number ____-____-____.

1 (b) This section shall not apply to the recordation of any
2 document where the federal government, or state, county, city, or
3 any subdivision of the state acquires title.

4 (c) The failure of the county recorder to provide the notice as
5 permitted by this section shall not result in any liability against
6 the recorder or the county. In the event that the notice is returned
7 to the recorder by the postal service as undeliverable, the recorder
8 is not required to retain the returned notice.

9 (d) Where the county recorder contracts with any party or parties
10 for the performance of the processing or the mailing of the notice,
11 or both, as authorized by this section, the contract shall be awarded
12 by competitive bid. The county recorder shall solicit written bids
13 for the contract in a newspaper of general circulation in the county,
14 and all bids received shall be publicly opened and the contract
15 awarded to the lowest responsible bidder. If the county recorder
16 or his or her designee deems the acceptance of the lowest
17 responsible bid is not in the best interest of the county, all bids
18 may be rejected.

19 SEC. 2. Section 27387.1 of the Government Code is amended
20 to read:

21 27387.1. In addition to any other recording fee, the recorder
22 may collect a fee from the party filing a deed, quitclaim deed, deed
23 of trust, notice of default, or notice of sale, unless that party is a
24 government entity. The fee shall not exceed the mailing cost of
25 the notice specified in Section 27297.6 *and the actual cost, if any,*
26 *to provide information, counseling, or assistance to a person who*
27 *receives the notice*, not to exceed seven dollars (\$7).

28 SEC. 3. The Legislature finds and declares that a special law
29 is necessary and that a general law cannot be made applicable
30 within the meaning of Section 16 of Article IV of the California
31 Constitution because the County of Los Angeles is experiencing
32 a foreclosure and real estate fraud crisis, as discussed in the
33 county's "Report and Recommendations to Address Foreclosures
34 and Real Estate Fraud" issued March 17, 2009, that necessitates
35 additional authority for the county to provide notice of the
36 recording of certain foreclosure-related real property transactions
37 to interested parties.